

Effective 5/13/2014

Sunsets 1/1/2015

63M-1-1406 Tourism Marketing Performance Account.

- (1) There is created within the General Fund a restricted account known as the Tourism Marketing Performance Account.
- (2) The account shall be administered by the office for the purposes listed in Subsection (5).
- (3)
 - (a) The account shall earn interest.
 - (b) All interest earned on account money shall be deposited into the account.
- (4) The account shall be funded by appropriations made to the account by the Legislature in accordance with this section.
- (5) The director shall use account money appropriated to the office to pay for the statewide advertising, marketing, and branding campaign for promotion of the state as conducted by the office.
- (6)
 - (a) For a fiscal year beginning on or after July 1, 2007, the office shall annually allocate 10% of the account money appropriated to the office to a sports organization for advertising, marketing, branding, and promoting Utah in attracting sporting events into the state.
 - (b) The sports organization shall:
 - (i) provide an annual written report to the office that gives a complete accounting of the use of money the sports organization receives under this Subsection (6); and
 - (ii) partner with the office to promote the state and to encourage economic growth in the state.
 - (c) For purposes of this Subsection (6), "sports organization" means an organization that is:
 - (i) exempt from federal income taxation in accordance with Section 501(c)(3), Internal Revenue Code; and
 - (ii) created to foster national and international sports competitions in the state, including competitions related to Olympic sports, and to promote and encourage sports tourism throughout the state, including advertising, marketing, branding, and promoting Utah for the purpose of attracting sporting events into the state.
- (7) Money deposited into the account shall consist of a legislative appropriation from the cumulative sales and use tax revenue increases identified in Subsection (8), plus any appropriation made by the Legislature.
- (8)
 - (a) In fiscal years 2006 through 2019, a portion of the state sales and use tax revenues determined under this Subsection (8) shall be certified as a set-aside for the account by the State Tax Commission and reported to the Office of Legislative Fiscal Analyst.
 - (b) The State Tax Commission shall determine the set-aside under this Subsection (8) in each fiscal year by applying the following formula: if the increase in the state sales and use tax revenues derived from the retail sales of tourist-oriented goods and services, in the fiscal year two years prior to the fiscal year in which the set-aside is to be made for the account, is at least 3% over the state sales and use tax revenues derived from the retail sales of tourist-oriented goods and services generated in the fiscal year three years prior to the fiscal year in which the set-aside is to be made, an amount equal to 1/2 of the state sales and use tax revenues generated above the 3% increase shall be calculated by the commission and set aside by the state treasurer for appropriation to the account.
 - (c) The total money appropriated to the account in any fiscal year under Subsections (8)(a) and (b) may not exceed the amount in the account under this section in the fiscal year immediately preceding the current fiscal year by more than \$3,000,000.

- (d) As used in this Subsection (8), "sales of tourist-oriented goods and services" are those sales by businesses registered with the State Tax Commission under the following codes of the 1997 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget:
- (i) NAICS Code 453 Miscellaneous Store Retailers;
 - (ii) NAICS Code 481 Passenger Air Transportation;
 - (iii) NAICS Code 487 Scenic and Sightseeing Transportation;
 - (iv) NAICS Code 711 Performing Arts, Spectator Sports and Related Industries;
 - (v) NAICS Code 712 Museums, Historical Sites and Similar Institutions;
 - (vi) NAICS Code 713 Amusement, Gambling and Recreation Industries;
 - (vii) NAICS Code 721 Accommodations;
 - (viii) NAICS Code 722 Food Services and Drinking Places;
 - (ix) NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores;
 - (x) NAICS Code 4853 Taxi and Limousine Service;
 - (xi) NAICS Code 4855 Charter Bus;
 - (xii) NAICS Code 5615 Travel Arrangement and Reservation Services;
 - (xiii) NAICS Code 44611 Pharmacies and Drug Stores;
 - (xiv) NAICS Code 45111 Sporting Goods Stores;
 - (xv) NAICS Code 45112 Hobby Toy and Game Stores;
 - (xvi) NAICS Code 45121 Book Stores and News Dealers;
 - (xvii) NAICS Code 445120 Convenience Stores without Gas Pumps;
 - (xviii) NAICS Code 447110 Gasoline Stations with Convenience Stores;
 - (xix) NAICS Code 447190 Other Gasoline Stations;
 - (xx) NAICS Code 532111 Passenger Car Rental; and
 - (xxi) NAICS Code 532292 Recreational Goods Rental.
- (e) The Division of Finance shall for each fiscal year transfer the first \$6,000,000 of ongoing money in the account to the General Fund.
- (9) By October 1, 2014, the office shall provide a written report to the Economic Development and Workforce Services Interim Committee containing:
- (a) a recommendation, based on economic modeling, for an updated definition of "sales of tourist-oriented goods and services" to replace the definition in Subsection (8)(d); and
 - (b) information describing the extent to which the state benefits annually from activities funded by the Tourism Marketing Performance Account.